Working Waterfronts

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Table of Contents

Summary	. separate document
Background	1
Methodology	3
Findings	3
Inventory of Facilities	3
Increased Demand for Recreational Access	5
Conversion of Commercial-Fishing Waterfronts	7
Conversion of Recreational Waterfronts	7
Impediments to Development of New Access	9
State Strategies to Preserve or Increase Access	
Local Initiatives to Preserve or Increase Access	13
Conclusions and Recommendations	15
Property Tax Relief: Currently Available	16
Property Tax Relief: Proposed Options	
Industry/Intergovernmental Coordination	
Additional Proposed Options	
Recommendations	

Background

A diversified waterfront industry, both commercial and recreational, is an important component of the state economy. According to a recent study, the "marine industry represents a total economic output of over \$14.1 billion and is responsible for over 180,000 jobs in the state." Another study found that the marine industry in Broward County generated \$8.8 billion in total economic output in 2000, providing \$3 billion in wages and earnings. This study also found that the industry provided 109,820 full time jobs, making it among the county's largest employment sectors.²

Additionally, a recent study commissioned by the Florida Fish and Wildlife Conservation Commission found that:

"Statewide, the total economic impact of public boat ramps is approximately \$1.3 billion per year....In addition to the economic impact, over 25,000 jobs are created statewide and approximately \$128 million generated in state and local tax revenue."

Changes in Florida's economy and land use may be affecting the economic viability of commercial-fishing and recreational working waterfronts.⁴ It is reported that, increasingly, development interests are buying traditional working waterfronts and converting them to private and residential use. "Water-enhanced" and "water-related" activities are replacing traditional or "water-dependent" activities.⁵ This has the effect of both decreasing the availability of waterfront property necessary to sustain commercial-fishing and recreational boating activities, and increasing the value of nearby working waterfront property. This increase in property value results in higher property taxes, which may cause the working waterfronts to be decreasingly profitable, thereby compounding the pressure to convert to the "highest and best" use of the property. ⁶

¹ "Florida's Recreational Marine Industry – Economic Impact and Growth 1980-2000," March 2001, by Thomas J. Murray & Associates, for the Marine Industries Association of Florida, Inc., p. iii.

² "Marine Industries Association of South Florida Master Plan," published by the FAU Joint Center for Environmental & Urban Problems, 2002.

³ "Assessing the Economic Impact and Value of Florida's Public Piers and Boat Ramps," Florida Fish and Wildlife Conservation Commission, March 2001, p. 8.

⁴ The term "commercial-fishing and recreational working waterfronts" is defined as public or private-owned water-dependent facilities that are available to the public. It includes marinas, mooring fields, boat yards, boat ramps, and commercial-fishing support facilities. It does not include "Ports" (federally chartered or port authorities) & military waterfronts.

Watermarks: Technical Briefs on Coastal Waterfront Revitalization," Volume 1, Issue
 Department of Community Affairs, July 1997.

⁶ This phenomenon in the state of Maine is profiled by *Maine Coastline*, a publication of the Maine Coastal Program at the State Planning Office, and *Preserving Commercial Fishing Access: A Study of Working Waterfronts in 25 Maine Communities*. Both resources are available at www.mainecoastalprogram.org.

The local and regional economic benefit of converting working waterfronts to residential uses varies, depending on the specific social and economic circumstances. However, a recent study in Maine found that while such conversions initially invigorate the local economy (during the construction stage), the positive benefit diminishes over the long term – especially in small jurisdictions.⁷

Coastal residential development may also be decreasing the relative availability of public access to the water through boat ramps. Research indicates that the construction of new launch facilities has not kept pace with increases in annual vessel registrations. Escalating prices for coastal property make it difficult for state and local governments to purchase new access points to meet this growing demand.

Economic pressures to convert property from public accessible to private residential uses is not a recent development.

In 1983, the Governor appointed a Blue Ribbon Marina Committee to "investigate problems encountered by water-dependent activities in the state with an emphasis on marinas and recreational boating." The committee concluded that increasingly waterfront is being developed for private as opposed to public access.

In 1995, the Florida Coastal Management Program commissioned a study to develop a profile of Florida's working waterfronts and the economic viability of those areas. The report found that

"...many working waterfronts are experiencing a decline in economic activity due to market forces and demands for waterfront property, the fishing net ban, and other trends affecting small-scale commercial fishing." 9

Consequently, loss of commercial and recreational waterfront to residential development and the relative diminishing access to boat launch facilities may have a long term adverse economic impact on our state and local economies.

Page 2

⁷http://www.portlandphoenix.com/features/other_stories/multi3/documents/03919490.asp and *Profile of Working Waterfronts*, FAU/FIU Joint Center for Environmental and Urban Problems, 1995, p. 19. The service jobs created to support the residential community are typically less valuable that the waterfront jobs that are replaced, and in smaller communities that were highly dependent on those waterfront jobs, the impact is proportionally greater.

⁸ Economic Impact of Blue-belting Incentives on the Marina Industry in Florida, by Frederick Bell, Department of Economics, FSU, July 1990. p. ii.

⁹ *Profile of Working Waterfronts*, FAU/FIU Joint Center for Environmental and Urban Problems, 1995, p. v. As a result of the study, the Waterfronts Florida Partnership Program was created in 1997 to provide technical and limited financial assistance to participating communities for the development and implementation of a plan to revitalize their waterfront districts.

Access to public waterfront is an amenity that adds to our quality of life and makes Florida a desirable destination for residents as well as tourists.

Methodology

Committee staff consulted staff of the Fish and Wildlife Conservation Commission, the Department of Community Affairs, the Department of Environmental Protection and other government entities, and surveyed local governments and representatives from the boating industries to obtain information and to identify strategies to maintain public access and assist working waterfronts.

Findings

Inventory of Facilities

Definitively documenting the conversion of working waterfronts to private and residential uses and the relative loss of access to boat ramps is problematic. First, a comprehensive current inventory of commercial-fishing and recreational working waterfronts in Florida (marinas, boatyards, and boat ramps) does not exist. ¹⁰ However, various estimates are available.

In 1995, the FAU/FIU Joint Center for Environmental and Urban Problems identified thirty-one "traditional" or **commercial-fishing working waterfronts** throughout the state. ¹¹ These are working waterfronts with commercial fishing and workboat repair yards, seafood processing and fish-house facilities that "are not part of a commercial port and may represent a part of Florida's history and culture threatened by urban development and market forces." ¹²

The Division of Recreation and Parks within the Department of Environmental Protection (DEP) maintains an inventory of all outdoor **recreational facilities and resources** in the state provided by federal, state, regional, county and municipal governments, commercial enterprises (which may include retail sales facilities), non-profit organizations, and private clubs.¹³ Preliminary tallies for 2004 indicate that there were 62,954 boat slips in 1,546 fresh and saltwater

 $^{^{10}}$ In part to address this problem, the Florida Fish and Wildlife Conservation Commission (FWC) is now commissioning a comprehensive statewide recreational boating facilities inventory for Florida. The inventory will include facilities (marinas, dry storage, mooring fields, boat ramps, and docks) in saltwater, freshwater, and brackish environments. It is projected that the inventory will be completed in 2-3 years.

¹¹ *Profile of Working Waterfronts*, p. 5-9. The report acknowledged that the inventory "probably is not exhaustive..."

¹² Ibid, p. iv. This term does not include "modern" working waterfronts, which are

¹² Ibid, p. iv. This term does not include "modern" working waterfronts, which are characterized by water-based recreation and tourism (tour boat charters, dive ships, marinas, etc.)

¹³ Outdoor Recreation in Florida – 2000, Florida's Statewide Comprehensive Outdoor Recreation Plan, (SCORP) Florida DEP, February 2002. p. 2-62. The estimate does not include private facilities, such as condominium slips or "dockominiums." This information is self-reported.

marinas. The inventory also shows 35,908 dry storage slips. [See TABLE 1] The Division of Law Enforcement within DEP also maintains a database of public marinas across the state. As of July, 2004, the database lists 944 marinas.¹⁴ Approximately 25 percent are "boatyards," or boat repair facilities.¹⁵

The Florida Wildlife Commission recently estimated that there are approximately 8,000 **boat ramps** across the state. However, the report noted that many of these ramps are not available to the public – the use is "limited to their owners or members of exclusive marinas and yacht clubs." The report found that there are an "estimated 1,300 ramps statewide operated by public agencies (federal, state and local) explicitly for public use." Approximately 200 of these ramps sites are maintained by the FWC. ¹⁹ TABLE 1 shows that DEP lists 2,714 public and private (non-residential) ramps with 3,404 lanes in the state.

However, measuring the change in access, as depicted in TABLE 1, is problematic because the information is self-reported and the totals for 2004 are preliminary. While the totals may capture new facilities, they do not capture facilities closed or converted from public to private use since the most recent Florida's Statewide Comprehensive Outdoor Recreation Plan report (SCORP).

Given the limitations in the data presented in TABLE 1, it may be concluded that, since 1987, there has been no change in the number of marinas, a decline in dry storage units, and a small increase in marina slips and boat ramps (and ramp lanes).

Our limited research indicates that while the number of boat ramps and ramp lanes has increased slightly statewide over the past 17 years, the public's relative access has declined due to the increase in the number of registered boats in the state. ²⁰ This is especially apparent in Florida's urban counties. ²¹

¹⁴ July, 2004. See: http://www.dep.state.fl.us/law/Grants/CVA/Marinas_Database.XLS
These figures differ from the SCORP database because they do not include private clubs and retail facilities.

¹⁵ Jan Delaney, Div. of Law Enforcement, DEP. 7/04.

¹⁶ Assessing the Economic Impact and Value of Florida's Public Piers and Boat Ramps. FWC, March 2001, pp. 13-14.

¹⁷ Ibid.

¹⁸ Ibid., p. 14. The FWC also found that "the distribution of public ramps is fairly uniform between the northern and central regions of Florida, with the south containing less than a quarter of the state's ramps." As to ramp use, the FWC found that "...of the roughly 5.5 million visits annually to publicly owned Florida boat ramps, over forty percent of these visits occur in the central region; nearly 40 percent more than south Florida and 20 percent more than north Florida."

¹⁹ http://www.floridaconservation.org/fishing/ramps/

²⁰ This may be a more significant problem in those counties experiencing conversions of working waterfronts to residential uses, as many public marinas also have boat ramps. *See* "Downtown boat ramp must stay put," Editorial, News-Press Fort Myers, April 8, 2004, and "Boat ramps unlikely at Wall Springs Park," St. Petersburg Times, August 4, 2004. ²¹ The Palm Beach Post recently reported that "In Lee county, there's about 47,345 boat owners, but only 13 public ramps. Sarasota and Manatee counties have a combined 24

While the launching capacity of boat ramps is the primary problem, lack of parking for vehicles and trailers is another indication that existing facilities may also be inadequate. ²²

Increased Demand for Recreational Access

In 2003, Florida had 978,225 registered boats, a 29.5 percent increase from 1997, and a 51.7 percent increase from 1987.²³ This is approximately twice the rate of the population increase for the state over the same period.²⁴

Visiting vessels registered in other states also require waterfront facilities. It is reported that Florida is the top ranked destination for marine recreation in the United States, with an estimated 4.3 million participants."²⁵ Consequently, it appears that our present inventory of waterfront facilities may be insufficient to meet current demand.

ramps for about 40,000 boats." "Boaters having trouble finding launch access," Palm Beach Post, July 5, 2004. The Miami Herald reported that Miami-Dade County has more than 50,000 registered boats and 56 ramps at six marinas. "They call it ramp rage," Miami Herald, July 4, 2004.

²² It is reported that Palm Beach County has 550 parking spaces for the 26,000 boat trailers registered in the county. "Boaters having trouble finding launch access," Palm Beach Post, July 5, 2004. Collier County's only public boat ramp has 60 parking spaces for cars with trailers. "Trailer parking at a premium," News-Press Bonita, March 13, 2004. The article does note that the county recently acquired property to expand access, with parking.

²³ Information available in the Florida Vessel Title Registration System. Of this total, 39,257 vessels are registered as commercial and 939,968 are registered as recreational. See *Boating Accidents*, 2003 Statistical Report, FWC, p. 3. Florida had 644,813 registered recreational boats in 1987. See *Economic Impact of Blue-belting Incentives on the Marina Industry in Florida*, by Frederick Bell, Department of Economics, FSU, July 1990. p. ii.

Florida ranks second only to Michigan in the number of registered recreational boats. (p. 15).

²⁴ The estimated statewide population increase was 14.2 percent, from 14.9 to 17 million. See http://www.state.fl.us/edr/population/web7.xls)

²⁵ See *A Recreational Boating Characterization For Tampa and Sarasota Bays*, Sea Grant, University of Florida TP-130, June 2004, p. 1.

In addition, the FWC reports that Florida "waterways increasingly show the strains of congestion as each year brings more residents and visitors to utilize our abundant water resources and take advantage of our mild climate." *Boating Accidents, 2003 Statistical Report,* FWC, p. 3.

TABLE 1: DEP Estimate of Facilities*

	2004**	1998	1992	1987
Fresh Water Marinas	480	511	342	344
Salt Water				
Marinas	1,066	1,123	1,073	1,201
Total	1,546	1,634	1,415	1,545
Fresh Water				
Marina Slips Salt Water	12,369	12,237	11,417	11,183
Marina Slips	50,585	45,839	45,436	49,499
Total	62,954	58,076	56,853	60,682
Fresh Water				
Dry Storage	4,052	4,980	3,800	4,298
Salt Water	,	,	,	,
Dry Storage	31,856	33,791	31,052	33,476
Total	35,908	38,771	34,852	37,774
Fresh Water				
Ramps	1,639	1,558	***	***
Salt Water				
Ramps	1,075	1,055	***	***
Total	2,714	2,613		
Fresh Water				
Ramp Lanes	2,031	2,017	1,817	1,761
Salt Water				
Ramp Lanes	1,373	1,328	1,256	1,232
Total	3,404	3,345	3,073	2,993

^{*} This is an inventory of facilities owned by federal, state, regional, county and municipal governments, commercial enterprises (including retail sales facilities), non-profit organizations, and private clubs. It does not include condominium slips or "dockominiums."

SOURCE: Tables from *Florida's Statewide Comprehensive Outdoor Recreation*, years 2000, 1995, & 1990.

^{**} These totals represent preliminary tallies, which historically capture new facilities, but not facilities closed since the last SCORP report.

^{***} Information not compiled in this category

Conversion of Commercial-Fishing Waterfronts

A number of specific factors have combined to exert pressure on the commercial-fishing industry to convert their property to other uses:²⁶

- The constitutional net-ban adopted by the electorate in 1994 resulted in reducing the catch and consequently, the income potential, of commercial fisheries;
- Increased regulation on commercial fishing;
- Recent increases in imported seafood has depressed the prices for locally harvested seafood, further reducing income potential;
- Escalations in waterfront property values have resulted in higher property taxes, thereby increasing the operating costs; and
- Regulatory impediments to new marina development make existing commercial-fishing waterfronts attractive to residential developers.

In response to these pressures, it is reported that some commercial fishermen have "down-sized" their operations and modified portions of their properties to include mixed-use development (recreational/transient marinas, restaurants, tourism), or sold their property to residential developers. Commercial fishermen who sell their working waterfront property may remain in operation by docking in other commercial-fishing facilities, or in private residential slips or recreational marinas.²⁷

We surveyed all counties and municipalities about changes in waterfront land use in there jurisdictions. In response to our survey, the ten counties²⁸ and ten municipalities²⁹ reported that commercial-fishing working waterfronts in their jurisdictions have been in the past five years or are currently being bought by private interests and converted to public or private marinas/dry docks.

Conversion of Recreational Waterfronts

Newspaper articles have documented the recent increase in demand for condominiums, ³⁰ for condominiums with marina access, and "marina

Beach (Palm Beach); St. Augustine (St. Johns); and Sarasota (Sarasota).

²⁶ Jerry Sansom, Organized Fishermen of Florida, 8/04 & Bob Jones, Southeastern Fisheries Association, 8/04.

²⁷ Jerry Sansom, Organized Fishermen of Florida, 8/04.

Broward; Citrus; Dixie, Franklin; Lee; Levy; Monroe; Pasco; Sarasota; and Walton.
 Apalachicola (Franklin); Clearwater (Pinellas); Madeira Beach (Pinellas); Destin
 (Okaloosa); Miami (Miami-Dade); Pensacola (Escambia); Port Richey (Pasco); Riviera

³⁰"Condo fever, fueled by historically low interest rates, a double-barreled demographic boom and scarcity of open land, is raging in the Tampa Bay area." Nationwide, the National Association of Realtors report that sales of existing condos set a record in the second quarter of 2004. Condo prices are appreciating at twice the rate of single-family homes. The article also reports that condominium filings with the Florida Department of Business and Professional Regulation have more than doubled over the past three years. *See* "Living the High Life," St. Petersburg Times, August 8, 2004.

condominiums" for boats.³¹ This demand may be a significant factor contributing to the conversion of recreational waterfront property to private or private residential uses.³² While this conversion probably may not decrease the relative number of slips statewide, it limits their availability.³³

We surveyed all counties and municipalities about conversions of recreational working waterfronts in their jurisdictions. In response to our survey, thirteen counties³⁴ and twenty-three municipalities³⁵ reported that, within their respective jurisdictions and within the past five years, the public has lost access to recreational working waterfronts because such facilities are being bought by development interests and converted to private marinas/dry docks or to private residential uses.

Recreational boating industry representatives report that fifty-seven marinas or boatyards have recently converted to condominiums or other private uses, and a number of sales of such facilities are pending or have been proposed. Finally, industry representatives note that the recent hurricanes have also affected the inventory of public-accessible waterfront facilities. 7

³¹"Homebuyers are flocking to condos, apartments with marinas." South Florida Sun-Sentinel, August 1, 2004.

[&]quot;Sanibel marina rides condo wave" Fort Myers News-Press, May 16, 2004.

³² To include converting slips for larger boats or yachts, thereby decreasing the capacity for medium and small boats.

³³ There is some indication that private-owned slips are made available for lease. However, the cost of such leases likely corresponds to the cost of the slip, making it less affordable to the boating public.

³⁴ Brevard; Broward; Citrus; Dixie; Escambia; Franklin; Jefferson; Lee; Levy; Monroe; Sarasota; Taylor; and Walton.

³⁵ Apalachicola (Franklin); Clearwater (Pinellas); Cocoa (Brevard); Crystal River, currently being considered (Citrus); Destin (Okaloosa); Freeport (Walton); Hallandale (Broward); Holmes Beach (Manatee); Jacksonville (Duval); Longboat Key (Sarasota-Manatee); Marineland (St. Johns); Madeira Beach (Pinellas); Miami (Miami-Dade); Oldsmar (Pinellas); Palmetto (Manatee); Palmetto (Manatee); Pensacola (Escambia); Punta Gorda (Charlotte); Riviera Beach (Palm Beach); Sarasota (Sarasota); Shalimar (Okaloosa); South Pasadena (Pinellas); and Tampa (Hillsborough).

³⁶ This information was provided by members of the Florida Water Access Coalition, an organization of various boating interest groups in the state. Recent articles documenting this conversion include: "Boatyards becoming scarce: Waterfront projects replace some Tampa Bay marinas," Tampa Bay Business Journal, June 11, 2004.

[&]quot;\$50 million marina, rental complex nears completion," South Florida Business Journal, June 18, 2004.

[&]quot;Developers Eyeing marine industry land, South Florida Business Journal, June 18, 2004.

[&]quot;Marina properties ebb as condominiums rise," The Miami Herald, June 22, 2004.

[&]quot;Aquaplex replacing marina," St. Petersburg Times, August 8, 2004.

[&]quot;Marina to make way for high-end condos," St. Petersburg Times, August 26, 2004.

³⁷ On 8/20/04, DEP issued an emergency order authorizing the temporary and permanent repair or restoration of structures damaged by Hurricane Charley. (OGC No.04-1458.) In addition, s. 403.813(2)(d), F.S., allows for the repair of existing facilities without a permit from DEP. However, such repair and reconstruction is still subject to local requirements.

Impediments to Development of New Access

Industry representatives identify two major impediments to development of new waterfront access: the cost to develop (land and infrastructure) and government approval of such development.

Balancing the demand for new marinas and boat ramps against protection of natural resources has proved to be difficult. Representatives of the marina industry report that obtaining the necessary permits for new marinas or expanding existing marinas is expensive and time-consuming.

To obtain a permit, applicants must obtain the approval of both the state and federal government. State permits are issued by DEP, or the applicable water management district for facilities in conjunction with larger commercial or residential developments.³⁸ Each permitting entity reviews the application for, among other things, potential impact on sea grass, manatees, and water quality. Permits for facilities of more than 50 slips, or projects of "heightened concern" are approved by the Florida Board of Trustees (the Florida Cabinet).³⁹ Permits for use of sovereign submerged lands are also approved by the Board of Trustees.⁴⁰

DEP reports that over the past five years, 368 permits have been granted for either the expansion or construction of public and private water-related recreational facilities (marinas, boat yards, moorings, dry docks, or boat ramps).⁴¹

Applicants must also obtain a permit⁴² from the U.S. Army Corp of Engineers.⁴³ In response to recent litigation in the federal courts addressing manatee protection, projects in specified areas of the state must be reviewed for their impact on manatees, and facility permits may not be approved unless certain measures are in place.⁴⁴ Over the past eleven years, an annual average of 450 permits have been

³⁸ *Homeowner's Guide to Wetlands*, Florida Department of Environmental Protection, July 2002. pp. 18-21.

³⁹ Jim Stoutamire, DEP. August 18, 2004.

⁴⁰ *Homeowner's Guide to Wetlands*, Florida Department of Environmental Protection, July 2002. p. 20.

⁴¹ This total does not include single family residential. Specifically, Commercial Marinas (99); Commercial fishing (8); Boat repair (6); and Condominiums (55). Jim Stoutamire, DEP. August 18, 2004.

⁴² Or verification of existing permitted or authorized use, typically for single-family residential facilities such as docks.

⁴³ The state's application form serves as a joint application, reviewed by both the state and federal agencies. *Homeowner's Guide to Wetlands*, Florida Department of Environmental Protection, July 2002. p. 20.

⁴⁴ These measures include appropriate signage and speed zones, with enforcement. In addition, the federal government must ensure that Corps-permitted projects throughout manatee habitat are having no more than a "negligible" cumulative effect on the species and its habitat, which requires extensive analysis as to where such projects should, and should not be, built. http://www.savethemanatee.org/newslfedsummary.htm

granted for commercial, private, or public-owned recreational facilities. ⁴⁵ However, in those Florida counties that have not adopted Manatee Protection Plans, permitting for new or expanded large-scale projects may be delayed or denied. ⁴⁶

In addition to the DEP permits, marinas with 150 or more wet slips, or 200 dry slips, must be approved through the Development of Regional Impact (DRI) program⁴⁷ through the Department of Community Affairs (DCA). However, counties that have adopted countywide marina siting plans into the coastal management element of their local comprehensive plans are exempt from the DRI program.⁴⁸ DCA reports that four marina DRIs have been approved by the department since 1997.⁴⁹

State Strategies to Preserve or Increase Access

There are several state or regional government programs to assist local governments and the private sector in their efforts to preserve or increase access for commercial or recreational boating activities.

DCA provides technical assistance and limited funding to small waterfront communities through the *Waterfronts Florida Partnership Program*.⁵⁰ This program helps participating communities develop a plan to revitalize, renew and

⁴⁵ This tally also includes a limited number of private, single family residential projects which must undergo a high level of review. U.S. Army Corp of Engineers – Jacksonville, 8/23/04.

⁴⁶ Manatee Protection Plans are required by the state in thirteen counties: Brevard, Broward, Citrus, Collier, Miami-Dade, Duval, Lee, Indian River, Martin, Palm Beach, Sarasota, St. Lucie, & Volusia. To date, Broward, Palm Beach, and Volusia counties do not have approved plans in place. These plans have two primary components: identifying the need for creating new or revising existing manatee protection speed zones, and a boat-siting facilities plan to address the expansion of existing marina and the development of new marinas or other multi-slip boat facilities.

⁴⁷ Section 380.06, F.S., governs the DRI program and establishes the basic process for DRI review. The DRI program is a process to provide state and regional review of local land use decisions regarding large developments that, because of their character, magnitude, or location, would have a substantial effect on the health, safety, or welfare of the citizens of more than one county.

⁴⁸ Section 380.06(24)(k), F.S., provides that a water-port or marina is exempt from the DRI process if the county or municipality has adopted a boating facility siting plan or policy which specifies preferred locations for boat facility development, considering factors such as natural resources, manatee protection needs, and recreation and economic needs as outlined in the Bureau of Protected Species Management Boat Facility Siting Guide dated August 2000. See http://www.dca.state.fl.us/fdcp/DCP/marinasiting/Boatsite0800.pdf This plan or policy must be included in the coastal management or future land use element of the local government's comprehensive plan.

⁴⁹ A total of 39 DRIs have been approved since 1974. All DRI applications were approved, after modifications or conditions. Ken Metcalf, Regional Planning Administrator, Div. of Community Planning, DCA. 8/04.

⁵⁰ <u>http://www.dca.state.fl.us/fdcp/dcp/waterfronts/ waterfront.htm</u> & <u>http://www.dep.state.fl.us/cmp/ grants/index.htm</u>

promote interest in their waterfront district. Waterfront revitalization targets environmental resource protection, public access, retention of viable traditional waterfront economies,⁵¹ and hazard mitigation.

New Waterfronts Florida Partnership Communities are selected every two years and those communities receive technical assistance over a two-year period and a grant to reimburse the recipient for a portion of costs associated with preparing the plan. Donce the plans are complete, communities can begin the process of financing implementation of the plan from sources such as state and federal grants, bonds issuances, private borrowing, and tax increment financing districts. Since 1997, DCA has designated 13 communities as Waterfronts Florida Partnership Communities. These communities have been the beneficiaries of 7,000 hours of volunteer services, \$143,362 in private donations, and \$7.4 million of other public investment. This program is funded, in part, by an award from the National Oceanic and Atmospheric Administration Award.

The *Florida Boating Improvement Program* of the Office of Boating and Waterways within the Fish and Wildlife Conservation Commission coordinates funding for projects to improve boating access.⁵⁴ In each fiscal year, a portion of the state taxes collected on motor fuel are transferred to the FWC to fund, in part, local projects that provide "recreational channel marking, public launching facilities, aquatic plant control, and other local boating related activities." In addition, a portion of taxes collected on motor and diesel fuels at marinas is transferred to the FWC to be used, in part, to "provide funding for construction and maintenance of publicly owned boat ramps, piers, and docks, directly and through grants to counties and municipalities." Also, a portion of vessel registration fees collected by the Department of Highway Safety and Motor Vehicles (DHSMV) is transferred to FWC to fund a variety of services, to include public launching facilities.⁵⁷

Additional funding is available to local governments through the Florida Recreational Development Assistance Program, ⁵⁸ the Land and Water

⁵¹ Eight of the 13 grants were for commercial-fishing working waterfronts.

⁵² Up to \$10,000 in the first year, and up to \$25,000 in the second year.

⁵³ "Watermarks: Technical Briefs on Coastal Waterfront Revitalization," Volume 1, Issue 1. Department of Community Affairs, July 1997.

⁵⁴ Section 20.331, F.S.

⁵⁵ Section 206.606(1)(b)1., F.S. A minimum of \$1.25 million must be used for this purpose. Section 206.606(1)(d), F.S., requires that \$5 million be appropriated in FY 2004-5, increasing to \$13.4 million in FY 2007/8, and each year thereafter.

⁵⁶ Section 370.0603(4)(c), F.S. In FY 2003/4, \$1.23 million was appropriated for 9 projects (out of 32 requests), primarily to repair of construct boat ramps and dock or to provide support facilities. In FY 2004/5, \$600,000 was appropriated for boating infrastructure.

⁵⁷ Section 328.76(1), F.S. However, to date, it appears that this money has never been appropriated for public launching facilities.

⁵⁸ Federal funds administered by DEP. See http://www.dep.state.fl.us/parks/bdrs/

Conservation Program,⁵⁹ the Florida Recreational Development Assistance Program,⁶⁰ and the Boating Infrastructure Grant Program.⁶¹

Counties have two sources of funds available to finance water access facilities. Counties receive a portion of recreational vessel registration fees, proceeds of which are used, in part, to provide public launching facilities. They are also authorized to levy an additional fee (which is 50 percent of the state fee) on vessels registered in their jurisdiction. Fee proceeds may only be used for "the patrol, regulation, and maintenance of the lakes, rivers, and waters and for other boating-related activities..." DHSMV reports that the fee has generated \$3.7 million in FY 03/04 in the 12 counties that levy the fee.

The *Florida Communities Trust* (FCT) is a state land acquisition grant program administered by DCA.⁶⁵ FCT provides funding to local governments and eligible non-profit environmental organizations for acquisition of community-based parks, open space and greenways, and access to water that further outdoor recreation and natural resource protection needs identified in local government comprehensive plans. ⁶⁶ Matching and full grants for land acquisition projects are provided to communities through an annual competitive application cycle. Approximately \$66 million is available to eligible applicants each year and applicants are eligible for up to 6.6 million.⁶⁷ Since 1991, the FTC has awarded 387 grants totaling \$563,074,185 to local communities for projects that provided public access to water for recreational uses.⁶⁸

The *Florida Inland Navigation District*, an independent special taxing district comprised of all of the eastern coastal counties (Miami-Dade to Duval Counties), has two grant programs to, in part, assist local governments in increasing access to

⁵⁹ Administered by DEP, last year, \$3.9 million in federal funds were available, with preference given to projects on water bodies.

⁶⁰ Administered by Bureau of Design and Recreation Services, Division of Recreation and Parks in DEP. However, DEP staff indicate that, historically, most funding is for recreational parks, not necessarily for boat ramps. Linda Reeves, DEP. September 23, 2005. http://www.dep.state.fl.us/parks/bdrs/factsfrdap.htm

⁶¹ Administered by FWC, this program provides federal funds to local governments for tie-up facilities (slips, mooring buoys, docks, piers, etc.) for transient recreational boats 26' or longer. See http://myfwc.com/boating/grants/bigp.htm

⁶² Section 328.72(1) and (15), F.S.

⁶³ Section 328.66, F.S.

⁶⁴ The 12 counties include: Broward (\$442,697), Charlotte (\$182,624), Collier (\$206,063), Hillsborough (\$309,852), Lee (\$405,901), Miami-Dade (\$495,901), Monroe (\$282,379), Palm Beach (\$37,682), Pinellas (\$434,241), Polk (\$183,442), Sarasota (\$192,699), and Volusia (\$194,414). Office of Legislative Affairs, DHSMV, 10/8/04.

⁶⁵ Sections 380.501 – 380.515, F.S.

⁶⁶ http://www.dca.state.fl.us/ffct/

⁶⁷ ibid.

⁶⁸ These water-recreation projects include fishing piers, observation decks, canoe launches and boat ramps. With matching funds, the total funds for land acquisition is an estimated \$922 million. Kathy Baughman McLeod, DCA. 9/25/04.

coastal waters. ⁶⁹ The Waterway Assistance Program and the Cooperative Assistance Program award approximately \$7.2 million annually. Similarly, the *West Coast Inland Navigation District* has two similar grant programs: the Waterway Development Program and the Cooperative Assistance Program.

It has also been reported that the five Water Management Districts throughout the state may also have limited grants available to increase public access through boat ramps or similar facilities.

Local Initiatives to Preserve or Increase Access

We surveyed counties and municipalities to ascertain any action undertaken to preserve or create recreational and commercial-fishing working waterfronts, or public access to the water through boat ramps. The following is a brief overview of these local efforts.

Brevard county reports that in 1984, the electorate approved the Beach and Riverfront program to provide for the renovation and development of boat ramp facilities. In 2000, the electorate approved additional funding for a boat ramp facility.⁷⁰

Both the public and private sector in **Broward** County have been active in addressing the issue. The Broward County Parks and Recreation Division, Marine Advisory Committee, and the Marine Industry Association are working together to develop an inventory of recreational waterfront facilities, occupancy rates, and recommendations to preserve and expand these facilities to meet future recreational boating needs. Their report should be completed by November, 2004. In 2002, the South Florida Marine Industries Association prepared a master plan to address, in part, retention of the marine industry in Broward County. The county is currently developing its Manatee Protection Plan which will, in part, address marina siting issues.

The **City of Jacksonville/Duval County** reports that it has experienced the loss of boating access and marinas in recent years. A subcommittee of the City Council's Waterways Commission is investigating the conversion of marina facilities from public to private use. The Department of Parks and Recreation is studying public boat ramp access, with a goal of having an inventory of facilities, recommending locations for new facilities, and developing strategies for accomplishing the expansion.

⁶⁹ http://www.aicy.org

⁷⁰ Terry Stoms, Brevard County Planning Department. 8/23/04.

⁷¹ Bob Harbin, Division of Parks and Recreation, Broward County. 8/20/04.

⁷² "Marine Industries Association of South Florida Master Plan," published by the FAU Joint Center for Environmental & Urban Problems, 2002.

⁷³ Captain Steve Nichols, Marina and Waterways Coordinator Dept. of Parks, Recreation and Entertainment, Metropolitan Park and Marina, City of Jacksonville, 8/14/04.

The **Martin** County Growth Management Department recently hosted a public workshop regarding commercial waterfront lands.⁷⁴ This workshop is part of an ongoing effort to find ways to protect commercial waterfront lands, particularly from encroachment by residential development. This issue has been designated as one of the County Commission's strategic objectives. The City of **Stuart** recently received conditional approval from the Florida Board of Trustees to construct and operate a 69 space mooring field in the South Fork of the St. Lucie River.⁷⁵

It is estimated that **Monroe** County has over 1,000 commercial-fishing boats operating and docking throughout the county. It is also estimated to have three or four times as many commercial recreational boats. ⁷⁶ County officials report that residential waterfront development is increasing. ⁷⁷ In response, staff of the Monroe County Planning Department have recently begun to develop a plan to preserve working waterfronts in the county.

When the Sailfish Marina and Resort on Singer Island was made available for sale, the **Palm Beach** County Commission recently considered options to provide funding or incentives to preserve public access to the marina. These options included:

- purchase of development rights on waterfront property;
- purchase of waterfront property;
- Issue General Obligation bonds to finance the purchase of property or development rights to the property;
- partner with Riviera Beach to provide additional public access within Harbor Village and improve working waterfront;
- amend the county charter to require all waterfront properties to provide public access; and
- complete plans for the mooring fields with an anchorage management plan.

However, the property was sold for \$25.5 million to private interests, with the condition that the marina be available to the public for at least two years. It is anticipated that the county will try to purchase the development rights to the marina beyond 2006.⁷⁹

On August 17th, the county commission approved a resolution to place on the November 2004 ballot a referendum for a bond issue not to exceed \$50 million.

⁷⁴ David Quigley, Senior Planner, Growth Management Department, Martin County, 8/04.

⁷⁵ Florida Cabinet Meeting Agenda, 11/24/98.

⁷⁶ Douglas Gregory, Monroe County Extension Director, Florida Sea Grant, 8/04.

⁷⁷ In July 2004, four major parcels of commercial fishing waterfront sold for redevelopment in the Lower Florida Keys Stock Island area, to include two of the area's 4 dry docks. Douglas Gregory, Monroe County Extension, Sea Grant Marine Agent and County Extension Director, 8/04.

⁷⁸ Palm Beach County Commission minutes, 5/25/04.

^{79 &}quot;Sailfish Marina owner sells site for \$25.5 M," Palm Beach Post, 6/16/04.

The money would be used for to protect, expand and improve public access to freshwater and saltwater bodies.⁸⁰

Sarasota County reports that they are currently negotiating for purchase of boat ramp sites.⁸¹

Our research indicates that at least ten cities have working waterfronts within their **Community Redevelopment Areas** (CRAs).⁸²

It has been reported that the Treasure Coast Regional Planning Council, at the request of the Sustainable Treasure Coast Committee and Martin County, is conducting an economic impact study on the demise of the working waterfronts for Indian River, St. Lucie, Martin and Palm Beach Counties.⁸³

Conclusions and Recommendations

Public access to marinas and boat ramps may be diminishing for the recreational boating public. It appears that the capacity to launch and moor boats has not kept pace with increases in annual vessel registrations. In addition, there is evidence that, for both commercial-fishing and recreational working waterfronts, conversion from public to private use is contributing to this loss of access. Other contributing factors include:

- the unavailability of suitable waterfront property for access development, especially in urban areas;
- the cost of developing new facilities; and
- the cost and length of time necessary to obtain state and federal permits for new facilities.

However, there are programs and strategies available to either preserve or increase public access. The Legislature could consider expanding such programs or initiating new strategies to facilitate this preservation or increase in access.

⁸⁰ http://www.co.palm-beach.fl.us/PubInf/News Room/08-04/08-17-04 BCCBriefs.htm

⁸¹ John McCarthy, General Manager, Sarasota Parks and Recreations Dept., 8/04.

⁸² Boynton Beach, Ft. Pierce, Jupiter, Key West, Panama City, Punta Gorda, Riviera Beach, and Stuart; Citrus and Martin Counties.

Chapter 163, Part III, F.S., authorizes local governments to designate CRAs to finance redevelopment for targeted areas. There are currently over 140 CRAs in the state. Funding for CRAs is accomplished through "tax increment financing", in which the value of property within the CRA is determined and "frozen" as of a fixed date. Taxing authorities continue to receive property tax revenues based on the frozen value. Any tax revenue from increases in the value of the property, referred to as 'increment,' are provided to the CRA to pay the debt service on improvements funded by the CRA. See http://www.redevelopment.net/ Default.aspx?tabid=56

⁸³ Ted Guy, 8/5/04.

Property Tax Relief: Currently Available

Article VII, s. 4 of the State Constitution requires that all property be assessed at its just value for ad valorem tax purposes. Just value has been interpreted to mean fair market value. ⁸⁴ However, this section also provides exceptions to this requirement for agricultural land ⁸⁵ and land used exclusively for non-commercial recreational purposes, all of which may be assessed solely on the basis of their character or use. Additionally, counties and cities may be authorized to assess historical property based solely on the basis of its character or use. ⁸⁶

Absent any change in law, owners of commercial-fishing or recreational working waterfronts currently have three options available to them to decrease or eliminate their property tax burden, to include:

- **Sell the property to the county** and contract with the county to operate the marina. Property owned by subdivisions of the state are not taxed, thereby lowering the operating costs of enterprises situated on high-value property. If the property is leased back to a non-exempt entity, the lease-hold interest is subject to the intangibles tax. 88
- **Sell the development rights** to a governmental (city or county) or non-profit entity, thereby substantially reducing the property tax burden. The property would be taxed on its current use, based on its "income stream," and not the speculative value or value of a comparable property.
- Create a **Conservation Easement** for land used for "outdoor recreation or park purposes." Section 193.501 F.S., allows property owners to contract with public agencies or charitable corporations to restrict the use of property for a variety of purposes, to include "boating" that is open to the general public⁸⁹ for a term of years, ⁹⁰ thereby linking property values to the income

⁸⁴ Walter v. Schuler, 176 So.2d 81.

⁸⁵ Implemented in s. 193.461, F.S.

⁸⁶ Implemented in s. 193.505, F.S.

The courts have ruled that property of the federal government, the state, and the counties is immune from, or not subject to, taxation. *See Park-N-Shop, Inc. v. Sparkman*, 99 So. 2d 571 (Fla. 1957); *Orlando Utilities Commission v. Milligan*, 229 So.2d 262 (Fla. Dist. Ct. Appl. 1969); and *Dickinson v. City of Tallahassee*, 325 So.2d 1 (Fla. 1975). It does not appear that this favorable tax status is also available to cities owning marina property leased to a for-profit entity. The First DCA ruled in 1992 that a municipal marina leased to a private entity was exempt from taxation because it was used for a valid public purpose. *Page v. Fernandina Harbor Joint Venture*, 608 So.2d 520 (Fla. Dist. Ct. Appl. 1992). However, the Second DCA ruled in a similar situation the lease marina property was subject to taxation, as it was not used for a "public purpose" and therefore could not be exempt from taxation. *Mikos v. City of Sarasota*, 636 So.2d 83 (Fla. Dist. Ct Appl. 1992). Likewise, the First DCA ruled against the City of Fernandina Beach in 1998. *Page v. City of Fernandina Beach*, 714 So.2d 1070 (Fla. Dist. Ct Appl. 1998).

⁸⁸ Section 199.023(1)(d), F.S.

⁸⁹ Section 193.501(6)(g), F.S.

⁹⁰ Section 193.501(3)(a) and (b), F.S.

- stream generated by the current use.⁹¹ Current law provides for "recapture" of deferred taxes only if the covenant is rescinded.
- In a limited number of situations, some working waterfront property could qualify for an "Historically Significant" classification, ⁹² an exemption for the entire property, ⁹³ or an exemption for improvements on the property.

Property Tax Relief: Proposed Options

The Legislature could modify existing property tax relief provisions, or propose amending the constitution to create new provisions to provide tax relief. These options include:

- Create a **Deferred Property Tax Program** for working waterfront property.
 Currently, such a program exists for qualified low-income persons entitled to claim homestead tax exemption may annually defer payment of their property taxes and special assessments.
- Pass a Joint Resolution to allow the electorate to consider a constitutional
 amendment that expands the Agricultural Classification to include
 commercial-fishing working waterfront property used to support commercial
 fishing operations. Such a benefit should include a "recapture" provision for
 all deferred property taxes, up through the last 10 year period.
- Pass a Joint Resolution to allow the electorate to consider a constitutional amendment to allow for a property tax differential or "use-value" or "income" assessments for working waterfronts. 96 This preferential tax assessment should include a "recapture provision."

⁹¹ For a discussion of this issue, see *Conservation Easements, Conservation Purposes & Property Taxes: Amending the Florida Constitution to Encourage the Conservation of Land by Private Interests in the State of Florida*, Bill Cook, University of Florida Levin College of Law, Conservation Clinic (A Conservation Clinic White Paper Presented to the Alachua County Property Appraiser), April 27, 2004.

⁹² Under specified conditions, s. 193.505, F.S., allows property owners to covenant with county government to restrict the use of historically significant property, thereby potentially deferring a portion of their property taxes. Current law provides for "recapture" of deferred taxes only if the covenant is rescinded.

⁹³ Qualified properties may receive an exemption of up to 50 percent of the assessed value from county and municipal property taxes. Section 196.1961, F.S.

⁹⁴ Qualified properties may receive an exemption from county and municipal property taxes for improvements to designated historic properties. Section 196.1997, F.S.

⁹⁵ Section 197.252, F.S. The county maintains a lien on the property. When the property is sold, it collects the deferred taxes.

⁹⁶ See Conservation Easements, Conservation Purposes & Property Taxes: Amending the Florida Constitution to Encourage the Conservation of Land by Private Interests in the State of Florida, Bill Cook, University of Florida Levin College of Law, Conservation Clinic (A Conservation Clinic White Paper Presented to the Alachua County Property Appraiser), April 27, 2004. Also see Economic Impact of Blue-belting Incentives on the Marina Industry in Florida, by Frederick Bell, Department of Economics, FSU, July 1990.

Industry/Intergovernmental Coordination

There may be no single program or strategy to preserve working waterfronts or increase public access to the water through boat ramps. Consequently, the industries should coordinate with appropriate state agencies and regional governments to craft long-term strategies. There are several state programs and regional governments whose policies impact waterfront industries, including the Florida Coastal Management Program, ⁹⁷ the Florida Regional Planning Councils, ⁹⁸ and the Florida Water Management Districts.

Perhaps the most important partners in crafting long-term strategies are the local governments with jurisdiction over the waterfront areas. These local governments are responsible for preparing comprehensive plans that, among other things, guide the use of land and water resources. Coastal communities must have a coastal management element to address the goals and policies for the coastal area. Affected industries should work with the local planning department in each community to assure that the comprehensive plan includes provisions and features that protect and preserve existing marine-dependent sites and give priority to these uses at suitable waterfront locations. 99

Specific strategies to implement the goals established in local comprehensive plans may include:

- Conditional permitting or rezoning which would allow redevelopment only
 if it maintains or provides public access or retention/expansion of specified
 waterfront uses;
- Creating a waterfront zoning district or overlay, which would add special requirements to the underlying zoning category; and
- Creating an inventory of working waterfronts and establish a "no net loss policy," which would prohibit the rezoning of such property to residential uses.

Local governments could also invest directly in property preservation, either through **purchase of the property** or **purchase of the development rights** to the property. One strategy for funding these purchases includes using **tax increment financing** through a CRA.

⁹⁷ This program coordinates the actions of ten agencies and five water management districts to protect Florida's coastal areas.

⁹⁸ Regional Planning Councils "assist local governments to resolve their common problems, engage in area-wide comprehensive and functional planning, administer certain federal and state grants-in-aid, and provide a regional focus in regard to multiple programs undertaken on an area-wide basis." Section 186.502(1)(b), F.S.

⁵⁹ Such provisions include adoption of marina siting plans into the coastal management element to facilitate permitting of new or expanded marinas. See recommendations offered in "Marine Industries Association of South Florida Master Plan," prepared by the Joint Center for Environmental and Urban Problems at Florida Atlantic University, 2002. ¹⁰⁰ This policy could be established either as a comprehensive plan amendment, amendment to the Land Development Regulations (LDR) or as an administrative policy.

Local governments could also "**trade" for development rights** with grants of density variances for adjoining or other property. ¹⁰¹

The acquisition or expansion of boat ramp facilities could also be financed using these strategies. In addition, such facilities could be financed with local **launch fees**. ¹⁰²

Finally, industry and local governments should explore whether the **regional ports** have the capacity for new access facilities to provide public access to the water, ¹⁰³ or whether additional access may be available through the construction of mooring fields.

Additional Proposed Options

Additional strategies the Legislature could consider to preserve working waterfronts or increase public access to the water through boat ramps, include:

- Increase funding to expand the Waterfronts Florida Partnership Program;
- Expand access in appropriate state parks;
- Revise the fee structure for sovereign submerged land leases to encourage water-dependent uses and discourage water-enhanced and water-related uses; and
- Create a commission to coordinate and implement all public policy and projects for specific urban waterfront areas. 104

The Legislature could also consider funding access acquisition in the following ways:

- Increase boat registration fees;
- Expand the boat registration fee base by including non-motorized craft (canoes, etc.);
- Provide a greater portion of marina motor fuel tax revenue to FWC for this purpose;
- Increase the local option vessel registration fee, designating the increase for regional use;
- Designate a portion of Florida Forever¹⁰⁵ bond revenue funds (which includes the Florida Communities Trust Program¹⁰⁶) or Conservation and Recreation Lands Program funds, ¹⁰⁷ for access acquisition; or

¹⁰¹ This concept was considered by Palm Beach County in the Sailfish sale.

¹⁰² Pinellas County has recently implemented a \$5 (honor system) boat launching fee for all county ramps. Reports are that about 50% are paying the fee. Don Sweat¹⁰³ Federally chartered or governed by port authorities.

¹⁰⁴ For example, the Miami River Commission was established in 1998 as the official entity tasked with improving the river and its surroundings, acting together with neighborhoods, environmental groups, civic organizations, shipping, recreational boating, marina and political jurisdictions to advance the quality of life and commerce on the Miami River. Section 163.06, F.S. http://miamirivercommission.org/

Create a new bond program specifically to fund access preservation and acquisition.

Recommendations

The Legislature should consider expanding current or initiating new programs and strategies to facilitate the preservation of commercial-fishing or recreational working waterfronts to facilitate the expansion of public access through boat ramps.

 $^{^{105}}$ Section 259.105(3), F.S. Paragraph (4)(e) currently provides that purchases through this program include increasing "natural resource-based recreational and educational opportunities..."

106 Sections 380.501 – 380.515, F.S.

 $^{^{107}}$ Section 259.032(3)(g), F.S. currently authorizes the Board of Trustees to allocate funds to "provide areas, including recreational trails, for natural resource based recreation and other outdoor recreation on any part of any site compatible with conservation purposes."